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PARK PLAZA MINORITY REPORT

94-104-85

Council consideration of the Park Plaza Project has consumed so much time and generated so many cumbersome documents, plans and amendments that the minority feels that the positions and arguments of some members have been lost in rhetoric. It is for this reason that we offer this report, explaining our position on Park Plaza, with the hope that the inequities of this Plan may still be corrected.

PROJECT AREA

The Park Plaza Project has, allegedly, two wings, STAGE 1 (called Parcels A, B, & C or Park Square) and STAGE 2 (called Parcels D & E or the Combat Zone). The dichotomy of these two areas is obvious not only from the papers submitted by the Redevelopment Authority but from visual inspection as well. Parcels D & E are characterized by ugly, antiquated buildings in great disrepair, housing "honky-tonks," gypsies, cut-rate cut-quality retailers

and many businesses tottering along the line that separates legitimate enterprise from illegal activity. The vacancy rate is high, many buildings are abandoned above street level. The area has none of the amenities that make twentieth century urban living tolerable. There are no parks or open spaces--no striking architecture--no fine restaurants--nothing to justify the continuance of the blight and decay that typifies this area.

In an unfortunate marriage with "D & E" is the other wing of Park Plaza, Parcels A, B, & C. This area houses many small retailers, professional offices and small businessmen, all providing needed and desirable services to the residents of our city, and paying very dearly for the privilege of serving through oppressively high taxes. These people, and we sometimes forget that they are people--not bricks and mortar, are located in buildings built by the distinguished architectural firms of the nineteenth century,

among them Winslow & Wetherall; Bigelow, Snell & Grearson, and Charles Cummings. The blocks facing the Boston Common are an architecturally "tight" unit, some featuring fine gables and windows and incorporating detail of Queen Anne style on upper floors. Behind this area is hidden Carver Street whose buildings display ornate ironwork balconies and window flashing with tree-planted courtyards, certainly a pleasant respite in this basically commercial area. Facing the Public Gardens are low-rise connected buildings somewhat newer than those opposite the Common. Although not all are of compatible design, they have weathered together to form a pleasant backdrop for the Gardens. The Women's Education and Industrial Union occupy three fine Greek Revival row houses in this block. This land has been described in a report commissioned by and for the developer as among the finest sites in the world--an ideal and almost idyllic setting on one of America's finest parks. Within this area are residents and businessmen who have given

life and vitality to Boston. Through the great depression these people stayed with Boston-- during the fifties and sixties when the suburbs called so many of our people and small businesses away, they stayed with Boston. When Real and Personal Property Taxes soared, these people swallowed and decided not to abandon us--now they find the city willing to subsidize and mandate their removal. This surely is a situation lacking in elementary equity and fairness.

Why were these two so greatly dis-similar areas included in the same plan? To speed the needed rebuilding of Parcels D & E? Hardly! There is no plan of any sort for D & E. It was connected with A, B, & C only to satisfy the legal requirement of blight as provided by Chapter 121 B of the General Laws and to justify the contention that the project area is substandard and decadent to an extent requiring demolition and rebuilding. It is ironic somehow that the finer portion of the total area will be demolished and that the portion

of the project that offends the city and demands renewal has, by the Council's action, been given leave to remain and deteriorate for several years if not forever.

THE PLAN

The Park Plaza Plan was born in academia. The principal developer hails from one of our country's finest institutions. But it is at least interesting to note that he comes not from a school of government, nor urban design, nor social work, nor urban studies, but from a business school, in fact, The Business School. He has learned his lessons well. This plan is brilliantly conceived, expertly developed, and masterfully executed to satisfy a single result: the unjust enrichment of the developers and their friends at the expense of the city. The acquisition of city property at bargain basement prices (the majority of the Council having turned back efforts to require impartial appraisal of land values) will create an instant equity in favor of the developers of five to seven million dollars.

The developer and his seeming partners in the B.R.A. contend that they will have no difficulty financing the luxury high-rise hotel, the elegant apartment towers, the prestigious office complex and the expensive specialty shops, together a veritable playland for the very rich. They find, however, that there just might not be enough money available to build the only humane part of this project, low-cost housing for our elderly. So, say the developers, if any part of this golden city must be severed, and remain unbuilt, it will be the pitifully few apartments for the elderly. The majority of the Council, by defeating amendments to the plan, declined to specify a minimum number of low-cost elderly units, or to require that any be built. The majority was satisfied to require that the developer "try" to provide our elderly with housing to be built in the least attractive portion of Parcels A, B, & C (Park Square). The Council majority seems to brag about the many hours of consideration this project received, perhaps wishing to substitute quantity

of work for quality of work in the eyes of the public. Whether you count the days or the hours, the majority of the Council was willing to dot a few "i"s and cross a few "t"s and then report the plan in the same form submitted. The majority repeatedly refused to reduce height limits on the four or more towers that will turn the Public Gardens and a part of the Common into a place of darkness throughout most of the year. In the Public Gardens will be recreated the Alaskan winter of night, with great damage to both the natural and visual environment of this fine green place. And to what end? Neither the B.R.A. nor the developer, even after request, ever supplied or proved any financial justification for this excessive density, especially considering the low price the developers will pay for the city land involved. The majority of the Council by their inaction has endorsed the developers' plan to build a "Manhattan on the Common." Has the Council not learned the lesson of New York City? In New York tall buildings grew on every corner, choking out people and buildings

against humanity for the sake of profit. But, now New York has so snarled itself that the very businesses the skyscrapers were planned and built for, are moving to less dense places. Yet, the Council majority refused to limit heights even to the still overwhelming forty-five story compromise offered. The majority of the Council refused to adopt an amendment to guarantee one-half million dollars to be used to make up for some of the damage to the Public Gardens and the Commons. The Council flip-flopped on the question of requiring D & E (Combat Zone) to remain in the project resolution's findings. Incredibly, the maker of the motion to so condition the findings, cast the deciding vote to remove that condition.

Perhaps imbued with the trust and good will of the Christmas season, a majority of the Council saw fit to reject a "conflict of Interest" amendment. The lack of such a provision could in itself jeopardize this plan if Federal funding were to be used. The Council, which made so much of its

perusal of the plan for A, B, & C (Park Square) has, by refusing to split the project, lost its opportunity to similarly peruse the plans for D & E (Combat Zone) if any ever come--which the minority doubts. D & E (Combat Zone), having fulfilled its function as bait, will be cast aside as the worm that attracted the fish. With respect to design review, the Council did nothing. Other than verbal testimony and anonymous plastic bumps on a tree-studded display, the plan does not indicate the shape, design or even number of buildings to be constructed in Parcels A, B, & C (Park Square). It need not be this way. The city has apparently decided to allow the developers financial interest in the project to predominately dictate the physical structure of a part of the city that will endure far beyond economic exigencies of this decade. Many cities, notably European, have decided that their public development is properly the concern of architects and planners carefully overseen by representative public bodies. After a correct and appropriate architectural and humane plan has

been established, but before it is funded and ordained, developers are solicited to work within this frame work to create a civilized environment. This procedure differs from the current practice in that the Council would have the opportunity to make its decision based on fully explained alternatives, publicly agreed upon in advance, rather than merely make a 'yes or no' determination on a plan only half-explained. Instead, a majority of the Council has directed a developer and his unknown backers to construct a walled city--an enclave for the rich--that will destroy the charm of one of the most unique sections of any city in America. The project will choke Beacon Hill with doubled traffic and create a parking crisis in the Back Bay far more damaging than anything we have ever seen thus far, at a time when public money is already being spent to alleviate traffic and parking problems in this area. This will be the legacy and the last gift of this Council to the residents of the Back Bay and Beacon Hill.

TAX CONSIDERATIONS

During Council consideration of this project, the B.R.A. and the developers told the Body over and over that Park Plaza would bring untold millions into the city coffers. Closer inspection gives the lie to this old saw. In truth these high-rise developments take more from a city than they return. A study of such projects in San Francisco discovered that the increased city services that had to be provided for these towers cost more than the total of all taxes they paid, including corporate and sales taxes. In police protection alone, a major consideration in our crime-ridden inner cities, it was found that the downtown area demands 30% of the police protection but provides only 25% of the police budget. The single and two-family homeowner takes less from the city and pays more than the super-towers.

With specific regard to Park Plaza, the economic loss to the city is considerable. How much will this 266 million dollar project yield?

Chapter 59, Section 38 of the General Laws provides that property be taxed at full and fair cash valuation without discrimination. Thus we should be able to realize a sizable return from this project. Even if this development were assessed at only 50% of its value,^{and} the current tax rate of \$174.70 applied, the benefit to the city would be 23 million dollars. However, the Chief Assessor for the city states that this 266 million dollar project will yield only 4 to 4-1/2 million--when and if completed some ten to fifteen years from now. During this same period, the city will lose each and every year the taxes currently generated in Parcels A, B, & C (Park Square). On the other hand, the taxes now collected from the Park Square area (A, B, & C) are presently about 1.7 million dollars, and the amount has been increasing steadily over the past decade. In addition, the city will spend an unspecified amount from the South Cove Urban Renewal Bond Issue for relocation of water and sewer services and road

reconstruction along the southern border of the project area. Direct capital expenses have been pegged at 6.8 million dollars, but the B.R.A. has admitted that the actual cost may be much higher. Considering this 6.8 million dollar minimum, the city will have to pay some 7.5 million dollars in interest over the twenty-year life of the bond issue, for a total of 14.3 million dollars, minimum contribution. There is little likelihood of recovering this amount from the development. The consequence of borrowing for Park Plaza must be considered in light of the city's current debt situation:

TOTAL OF LONG-TERM LOANS

NOW OUTSTANDING (PRINCIPAL ONLY)	\$264,185,000.
AUTHORIZED BUT NOT YET ISSUED	<u>\$165,173,000.</u>
TOTAL AUTHORIZED	\$429,358,000.
COST OF DEBT SERVICE IN 1972	
(PRINCIPAL & INTEREST)	\$ 36,000,000. PLUS
MOST RECENT PERCENTAGE OF	
INTEREST ON BONDS:	5.35%-5.50%

DEBT SERVICE WILL COST BOSTON TAXPAYERS
IN 1972 ABOUT \$24.00 ON THE TAX RATE.
BORROWING FOR URBAN RENEWAL IS OUTSIDE OF
DEBT LIMIT.

Not subject to direct financial estimate are the tax losses resulting from the tendency of this new project to "draw" high-quality shops and retailers from lower Newbury and Boylston Streets, leaving vacancies and depressed valuations behind them. Also to be considered is the time and effort of the B.R.A. spent on this private development rather than on planning for people and neighborhoods.

Recognizing these losses, one may recoil in shock to learn that there is no real public purpose. We will expend all this money, endanger the Common and Gardens, displace our citizens, and remove 257 businesses, not to build schools, or a hospital, or much-needed low-cost housing, but to enrich the developers and their friends.

CONCLUSIONS

While the effect on displaced businesses and residents is partially covered above, it should be noted that the plan called for payments to be made at rates in effect in September 1970 notwithstanding the fact that businesses and residences will be taken in the next several years and that benefits are now higher than they were then. This, the Council grudgingly changed after hours of debate. Still, all those who remember the tragedy of the West End know that the emotional shock of displacement can never be avoided by a little cash. Again, like many small businesses in the West End, several of our small retailers in the Park Square area will be put out of business, never to re-open. We propose in Park Plaza to reverse the Robin Hood theorem and take from the poor to benefit the rich. Where are our values? Every part of our city should be treated as a precious life-supporting environment that should be planned with the widest possible compassion and understanding, not merely for the quick recovery

of some developer's initial investment. Don't people come first? Wasn't it the pledge of this Administration to turn from concrete and steel to the neighborhoods? Doesn't the soul and conscience of a city come before its high spine? All of the councillors have expressed great concern for those who will be displaced but, when the words spoken on the floor of the Council Chamber have stopped bouncing off the concrete walls, the actions of the majority of this Council will remain to menace the object of the majority's pious concern--a warning will be broadcast to all of our citizens that they may be next.

Moreover the Council majority has given a vote of confidence to a developer who has demonstrated in no way that he has the financial commitments to make this plan a reality. All we have seen is a series of public relations letters by a few financial establishments, none of whom were foolish enough to make a definite commitment to the project, and the only concrete financial plan put forth by the developer--the use

of a bond issue--is now in doubt because it may violate the provisions of the Internal Revenue Code.

The full case for Park Plaza has yet to be made. To be sure, the city administration, the B.R.A. and the developers have made their case. But who speaks for the people? Who speaks for the quality of life for all our citizens? Who speaks for the environment? Who speaks for the charm and quality of the Public Gardens and the Boston Common?

This administration prides itself on its concern for the city's environment. The administration wants no highways--they mar the landscape. It wants no expansion of airports--they would mar the surrounding communities. But does no-one care about the Common and the Public Gardens? Perhaps the administration's concern can be measured in direct proportion to the votes in a given area of environmental concern.

The case, as the minority has stated, has not been made for the project. We submit that the entire hearing process; the debate and vote taken on this project are but true reflections of a political process popular in another era, but now unfortunately applied once again. The actions of the Council majority have shown that it has given only lip service to public interest-- the "straight road" often alluded to in the Council Chamber has been distorted by insensitivity to people and now leads only to profit to the developers at the expense of our citizens.

Respectfully submitted:

Christopher A. Iannella

Albert L. O'Neil

ADDENDUM

Much of the architectural information contained in this report was drawn from a report prepared for the Landmarks Commission of the City of Boston. The Landmarks Commission is a functionary of the B.R.A.; set up by the B.R.A. to meet the Federal requirement of inspection of proposed urban renewal areas for buildings of architectural and historic significance. Their recommendations with respect to Park Plaza follow in part:

"The Park Plaza Project offers an opportunity to rehabilitate old buildings of high quality and incorporate them into a new development scheme...In the Park Plaza Project, distinguished older buildings should also be revitalized as part of a development program. Special attention must be given to sites directly adjacent to the Common and Public Garden. The significance--both historic and aesthetic--of these parks can hardly be

overstressed, and any development near them will affect, either positively or negatively, their appearance, use and, ultimately, their condition. The Central Burial Ground, incorporated into the Common, is also a site of historic importance directly adjacent to the study area. It is vital that new buildings along Boylston Street not be overpowering in scale or inappropriate in use or fabric to their locale."

